

Staffing Standards

Compensation Board Criteria For Allocating New Positions In Directors Of Finances' Offices

In determining the allocations of additional positions, the Compensation Board considers the following criteria:

1. The position (or positions) must be requested by the Director of Finance as part of the Compensation Board annual budget process.
2. The position requested must perform only the statutorily prescribed duties of the Director of Finance.
3. The Director of Finance's office must have a PC, or be connected to the city/county system or have such systems scheduled for installation within 12 months.
4. Funds and positions must be appropriated by the General Assembly.
5. The Compensation Board will use a combination of the staffing methodologies and weighted three-year average workload criterion developed by each of the Workload Study Committees of Treasurers and Commissioners of Revenue for their respective offices to determine the appropriate level of Compensation Board staff support for each office requesting additional positions.
6. The Compensation Board shall determine the number of additional positions to be allocated to any one office based upon criteria 1-5, inclusive, and additional positions shall be allocated in the order of percentage of need, where the offices with the highest percentage of need will receive positions first. The percentage of need is determined by calculating the percentage that the number of additional positions needed is of the total number of current positions.
7. Because the current staffing of Directors of Finance's offices includes hourly-wage staff expressed as F.T.E. positions, any office receiving a new position shall not have its hourly-wage funds reduced equivalent to the salary of the new position.

Staffing Methodology

The methodology used to determine appropriate staffing levels in each Director of Finance's office is based on a combination of methodologies developed by the Workload Study Committees for Treasurers and Commissioners of Revenue and adopted by the Compensation Board.

The methodologies for Treasurers and Commissioners of Revenue both consider current Compensation Board funded positions and hourly wage funded employees as full-time equivalent positions (FTE), as follows:

Using the hourly wage funded amount and dividing by the step one salary of a deputy I position, the number of part-time FTEs is ascertained. This is added to the Compensation Board approved full-time employees for the total personnel.

The workload information gathered from both Treasurers and Commissioners of Revenue is reported by Directors of Finance, and three year weighted averages of workload are calculated for each set of information. A staffing need based on each separate set of information is determined, and then the two figures are added to get a total staffing need.

The workload was weighted to take into account the difficulty or ease of performing the duties. The transactions for each of the categories were totaled and averaged. Then the percentage was calculated, with 100% as the total number of reported transactions in all categories. Similarly, the amount of time spent by the offices on each function was totaled and averaged, and a percentage of total time was then calculated for each category.

The percentage of transactions for each category was divided by the percentage of time for that category. This resulted in the weighted factor used in the analysis of workload. This weighted factor approach gives more weight to those transactions which are more time-intensive and less weight to those which require less time to complete.

The Treasurers' duties which were deemed to be local, such as vehicle decal issuance and those in the "other duties" category were removed from the total weighted transactions used in performing the statistical analysis.

Linear regression was used on both sets of data to assess the relationship between workload and current Compensation Board approved FTEs. Regression analysis is a statistical technique used to explain the relationship between factors, such as workload and current Compensation Board approved FTEs. After determining the number of Compensation Board employees and the total number of hours worked each year per locality for both Treasurer and Commissioner of Revenue duties, the regression analyses were performed to determine formulas for lines of best fit and models were created.

Work Elements and Weights for data regarding Treasurer duties are as follows:

<u>Workload Elements</u>	<u>Weights</u>
Real Estate Tax	1.55
Personal Property Tax	1.08
Collections	.99
Vehicle License (Decals)	.79
State Income Tax	3.08

The resulting formula that was derived is: $.000036 * (\text{total weighted transactions}) + 1.92$

Work Elements and Weights for data regarding Commissioner of Revenue duties are as follows:

<u>Workload Elements</u>	<u>Weights</u>
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Parcels	.08
Transfers	.50
Reassessments	1.25
Personal Property	.17
M & T/Business	.33
Mobile Homes	.33
Tax Relief	.50
Business Lic./MC	.50
Land Use	.50
Business-Excise Tax	4.00
State Tax Returns	.33
Estimated Taxes	.17
Adjustments	.17
Cemetery Trust Accounts	8.00
Bank Franchise Tax Accounts	1.00
Public Service Corp Accounts	2.00
Coal/Gas/Oil Severance & Mineral Tax Accounts	2.00
Issuance of "No Fee" Decals	.17
Other Activities	.00

The resulting formula that was derived is: $.0002927 * (\text{hours of work each year}) + 1.7864$

These formulas were used to determine the employees predicted to be needed to perform the work in any given locality based on the combined data trend of all other offices, and then total employees determined from each calculation were added together. Because each formula contains a base number of employees needed when weighted transactions are zero which includes the Constitutional Officer, the total number of employees needed is reduced by one in consideration of the fact that only one officer will be present in each office, where the combined base staff levels result in inclusion of two officers.

RANK	FIPS	Locality Name	Total Full Time	FTE Salary Reduction (Avg FY06 Staff Salary of \$22,977)	FY06 Annualized Budget Reductions to Salaries	FTE Total	Treasurers Duties Weighted	Treasurers Duties FTE Required	Commissioners Duties Weighted	Commissioners Duties FTE Required	FTE Required	FTE Difference	Weighted	Need %	Request New
4	003	ALBEMARLE	24	-1.78	-40803.69	22.22	391,722	16	37,165	12.66	27.68	5.46	428,887	24.55%	1
3	059	FAIRFAX COUNTY	148	-9.17	-210705.04	138.83	3,179,390	116	325,778	97.14	212.52	73.69	3,505,168	53.08%	235
2	087	HENRICO	46	0.00	0.00	46.00	1,175,718	44	97,915	30.45	73.7	27.70	1,273,633	60.22%	0
1	153	PRINCE WILLIAM	40	-1.91	-43921.61	38.09	1,074,961	41	155,090	47.18	86.8	48.71	1,230,051	128.00%	4
5	510	ALEXANDRIA	36	-2.97	-68208.88	33.03	646,997	25	48,480	15.98	40.19	7.16	695,477	21.67%	5
6	765	RICHMOND CITY	60	-4.76	-109383.28	55.24	1,067,247	40	78,280	24.7	64.04	8.80	1,145,527	15.93%	0
Total			354	-20.59	-473022.49	333.41	7,536,035	283	742,708	228.11	504.93	171.52	8,278,743		